

8

1 HAGOP T. BEDOYAN, CSB NO. 131285
2 **KLEIN, DENATALE, GOLDNER,**
3 **COOPER, ROSENLIEB & KIMBALL, LLP**
4 5260 N. Palm Avenue, Suite 205
5 Fresno, California 93704
6 Telephone: (559) 438-4374
7 Facsimile: (661) 326-0418
8 Email: hbedoyan@kleinlaw.com;

9 Brandon N. Krueger, Esq. (SBN 221432)
10 bkrueger@sallspencer.com
11 Lara A.S. Callas, Esq. (SBN 174260)
12 lcallas@sallspencer.com
13 SALL SPENCER CALLAS & KRUEGER
14 A Law Corporation
15 32351 Coast Highway
16 Laguna Beach, CA 92651
17 Telephone: (949) 499-2942
18 Facsimile: (949) 499-7403

19 Attorneys for Healthcare Conglomerate Associates, LLC
20 and Vi Healthcare Finance, Inc.

21
22
23
24
25
26
27
28

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION

In re:	Case No.: 16-10015-A-9
SOUTHERN INYO HEALTHCARE DISTRICT,	Chapter 9
Debtor.	DC No.: KDG-5
	Date: December 19, 2018
	Time: 1:30 p.m.
	Place: United States Bankruptcy Court 2500 Tulare Street, Fifth Floor Department A, Courtroom 11 Fresno, California
	Judge: Honorable Fredrick E. Clement

**REQUEST FOR JUDICIAL NOTICE IN SUPPORT OF BRIEF RE APPLICATION OF
26 NEW RULES OF PROFESSIONAL CONDUCT**

27 ///
28 ///

1 Pursuant to Federal Rules of Evidence, Rule 201, Healthcare Conglomerate Associates,
2 LLC and Vi Healthcare Finance, Inc. hereby request the court to take judicial notice of the
3 following document:

4 1. Administrative Order 2018-05-09, Supreme Court of California, S240991, filed
5 May 10, 2018 (voluminous attachment A excluded), a true and copy of which is attached to the
6 Appendix as Exhibit "A," and is fully incorporated by this reference.

7
8 Dated: December 12, 2018

KLEIN, DENATALE, GOLDNER, COOPER,
ROSENLIEB & KIMBALL LLP

9
10 By: /s/ Hagop T. Bedoyan

11 HAGOP T. BEDOYAN,
12 Attorneys for HealthCare Conglomerate
13 Associates, LLC and Vi Healthcare Finance,
14 Inc.



15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPREME COURT
FILED

S240991

ADMINISTRATIVE ORDER 2018-05-09

MAY 10 2018

Jorge Navarrete Clerk

IN THE SUPREME COURT OF CALIFORNIA

EN BANC

ORDER RE REQUEST FOR APPROVAL OF PROPOSED AMENDMENTS
TO THE RULES OF PROFESSIONAL CONDUCT OF
THE STATE BAR OF CALIFORNIA.

On March 30, 2017, the Board of Trustees of the State Bar of California filed a request for approval of comprehensive amendments to the California Rules of Professional Conduct. (Bus. & Prof. Code, § 6076.) The submission included 70 new or amended rules. The request is granted in part and denied in part.

Twenty-seven rules are approved as submitted by the State Bar:

- Rule 1.1 Competence
- Rule 1.3 Diligence
- Rule 1.4.1 Communication of Settlement Offers
- Rule 1.4.2 Disclosure of Professional Liability
- Rule 1.5 Fees for Legal Services
- Rule 1.6 Confidential Information of Client
- Rule 1.8.2 Use of Current Client's Information
- Rule 1.8.3 Gifts from Clients
- Rule 1.8.5 Payment of Personal or Business Expenses Incurred by or for a Client
- Rule 1.8.7 Aggregate Settlements
- Rule 1.8.8 Limiting Liability to Client
- Rule 1.8.10 Sexual Relations with Client
- Rule 1.8.11 Imputation of Prohibitions Under Rules 1.8.1 to 1.8.9
- Rule 1.10 Imputation of Conflicts of Interest: General Rule
- Rule 2.1 Advisor
- Rule 2.4 Lawyer as Third-Party Neutral
- Rule 3.2 Delay of Litigation

Rule 3.7	Lawyer as Witness
Rule 3.8	Special Responsibilities of a Prosecutor ¹
Rule 3.9	Advocate in Nonadjudicative Proceedings
Rule 4.1	Truthfulness in Statements to Others
Rule 5.3.1	Employment of Disbarred, Suspended, Resigned, or Involuntarily Inactive Member
Rule 6.5	Limited Legal Services Programs
Rule 7.1	Communications Concerning the Availability of Legal Services
Rule 7.3	Solicitation of Clients
Rule 7.4	Communication of Fields of Practice and Specialization
Rule 7.5	Firm* Names and Letterheads

Forty-two rules are approved as modified by the court:

Rule 1.0	Purpose and Function of the Rules of Professional Conduct — The court revises the citation in Comment [1] to conform to the California Style Guide. The court amends Comment [5].
Rule 1.0.1	Terminology — The court revises the definition of “person” under paragraph (g-1). The court adds an asterisk after the term “person” or “person’s” in paragraphs (a), (e), (f), (m), and (n), after the term “writing” in paragraphs (e-1), after the term “firm” in paragraph (g) and (k), and after “screen” or “screening” in Comments [5] and [6].
Rule 1.2	Scope of Representation and Allocation of Authority between Client and Lawyer — The court revises Comment [4] to conform to the California Style Guide.
Rule 1.2.1	Assisting, Soliciting, or Inducing Violations — The court amends current rule 1-120 and adopts it as rule 1.2.1 pending the State Bar’s submission of additional revisions to proposed rule 1.2.1.
Rule 1.4	Communication with Clients — The court removes an unnecessary comma from subparagraph (a)(1).
Rule 1.5.1	Fee Divisions Among Lawyers — The court substitutes semicolons for commas at the end of each item in the list in subparagraph (a)(2).

¹ On December 6, 2017, the State Bar filed a supplemental request to withdraw the original version of proposed rule 3.8 that it had submitted on March 30, 2017 and to approve a subsequent version approved by the State Bar’s Board of Trustees on November 3, 2017. The court grants the State Bar’s supplemental request.

Rule 1.7 Conflict of Interest: Current Clients — The court deletes Comment [2], moves the definition of “inatter” to the text of the rule as paragraph (e), and renames the subsequent Comments. The court deletes “or organization” and adds an asterisk next to “person” in Comment [1].

Rule 1.8.1 Business Transactions with a Client and Pecuniary Interests Adverse to a Client — The court modifies paragraph (a) and makes additional revisions to the citations in Comments [1] and [4] to comply with the California Style Manual.

Rule 1.8.6 Compensation from One Other Than Client — The court adds Comment [5].

Rule 1.8.9 Purchasing Property at a Foreclosure or a Sale Subject to Judicial Review — The court adds paragraph (c) and a Comment.

Rule 1.9 Duties to Former Clients — The court adds an asterisk next to “person’s” in paragraph (a) and “person” in subparagraph (b)(1). The court modifies citations in Comment [1] to comply with the California Style Manual and corrects internal citations in Comments [2] and [6].

Rule 1.11 Special Conflicts of Interest for Former and Current Government Officials and Employees — The court amends an internal citation in Comment [2] and substitutes the words “personally prohibited from participating” in place of “disqualified” in Comment [7]. The court revises the citations in Comments [6] and [10] to comply with the California Style Manual.

Rule 1.12 Former Judge, Arbitrator, Mediator, Or Other Third-Party Neutral — The court substitutes the phrase “seek employment from” for “participate in discussions regarding prospective employment with” where it appears in paragraph (b). The court deletes the asterisk after “third” in paragraph (b). The court adds the terms “personally and” before “substantially” in paragraph (b). The court substitutes the words “personally prohibited from participating” in place of “disqualified” in Comment [3].

Rule 1.13 Organization as Client — The court adds the term “resignation,” before “or withdrawal” in paragraph (e).

Rule 1.15 Safekeeping Funds and Property of Clients and Other Persons — The court corrects copyediting errors in paragraph (a) and Standard (1)(a)(i) through (iii), and (1)(b)(i) through (ii). The court adds an asterisk after “person” in Standard (1)(a)(i), (ii) and (iv). The court revises the citation in Comment [1] to comply with the California Style Manual.

Rule 1.16 Declining Or Terminating Representation — The court adds an asterisk after “person” in subparagraph (a)(1) and after “tribunal’s” in Comment [4].

Rule 1.17 Sale of a Law Practice — The court corrects an error at the end of the second sentence of Comment [2].

Rule 1.18 Duties to Prospective Clients — The court adds an asterisk after “person’s” in Comment [1]. The court deletes an unnecessary comma in Comment [2] and revises the citation in Comment [4] to comply with the California Style Manual.

Rule 2.4.1 Lawyer as Temporary Judge, Referee, or Court-Appointed Arbitrator — The court revises to citation in the rule and Comment [1] to the California Code of Judicial Ethics to comply with the California Style Manual.

Rule 3.1 Meritorious Claims and Contentions — The court adds an asterisk after the word “person” in subparagraph (a)(1).

Rule 3.3 Candor Toward The Tribunal* — The court amends paragraph (c) and Comment [6]. The court revises the citation in Comment [5] to comply with the California Style Manual. The court adds the heading “Ex Parte Communications” before Comment [7]. The court adds an asterisk after “tribunal’s” in Comment [1] and after “tribunal” in Comment [7].

Rule 3.4 Fairness to Opposing Party and Counsel — The court amends Comment [2].

Rule 3.5 Contact With Judges, Officials, Employees, and Jurors — The court adds the terms “rule or” before “ruling” in the introductory phrase to paragraph (b). The court deletes the word “or” at the end of subparagraphs (b)(1) through (b)(3). The court adds the word “or” at the end of subparagraph (g)(2). The court amends Comment [1].

Rule 3.6 Trial Publicity — The court amends the internal rule citation in Comment [2]. The court adds an asterisk after “person” in subparagraph (b)(7)(ii).

Rule 3.10 Threatening Criminal, Administrative, or Disciplinary Charges — The court revises the citation in Comment [3] to comply with the California Style Manual. The court adds a pinpoint citation to rule 3.8(a) in Comment [4].

Rule 4.2 Communicating with a Unrepresented Person* — The court adds an asterisk next to “Person” in the rule title, next to “person’s” in Comment [5], and next to “person” at the end of Comment [9]. The court revises the citation in Comment [4] to comply with the California Style Manual.

Rule 4.3 Dealing with Unrepresented Person* — The court adds an asterisk after “Person” in the rule title and after “person’s” in Comment [2].

Rule 4.4 Duties Concerning Inadvertently Transmitted Writings* — The court adds an asterisk next to “person” in Comment [2].

Rule 5.1 Responsibilities of Managerial and Supervisory Lawyers — The court removes Comment [6] and renumerbs the subsequent Comments accordingly.

Rule 5.2 Responsibilities of a Subordinate Lawyer — The court adds an asterisk after “person” in paragraph (a).

Rule 5.3 Responsibilities Regarding Nonlawyer Assistants — The court adds an asterisk after “person’s” in paragraph (b).

Rule 5.4 Financial and Similar Arrangements with Nonlawyers — The court adds an asterisk after “persons” in subparagraph (a)(1). The court deletes “or organization” and “organization or group” from paragraph (f). The court revises the citation in Comment [3] to conform with the California Style Manual. The court adds Comment [5].

Rule 5.5 Unauthorized Practice of Law; Multijurisdictional Practice of Law — The court adds the word “or” at the end of subparagraph (a)(1) and adds the phrase “in that jurisdiction” to the end of subparagraph (a)(2). The court deletes the words “or entity” in paragraph (a)(2). The court revises the citations in the Comment to conform with the California Style Manual.

Rule 5.6 Restrictions on a Lawyer’s Right to Practice — The court corrects a copyediting error in subparagraph (a)(1).

Rule 6.3 Membership In Legal Services Organization — The court adds references to rules 1.6(a) and 1.18 in paragraph (a).

Rule 7.2 Advertising — The court deletes the terms “or entity” from paragraph (b) and subparagraph (b)(5).

Rule 8.1 False Statements Regarding Application for Admission to Practice Law — The court adds an asterisk after the term “person’s” in paragraphs (a) and (b) and Comment [1].

Rule 8.1.1 Compliance with Conditions of Discipline and Agreement in Lieu of Discipline — The court revises the citation in the Comment to conform with the California Style Manual.

Rule 8.2 Judicial and Legal Officers — The court revises the references to the California Code of Judicial Ethics in paragraphs (b) and (c) to comply with the California Style Manual.

Rule 8.4 Misconduct — The court adds the word “those” before “activities” and “particular” before “lawyer” in Comment [6].

Rule 8.4.1 Prohibited Discrimination, Harassment, and Retaliation — The court adds asterisk after “persons” in subparagraphs (a)(2) and (b)(2). The court revises the citation in Comment [2] to conform with the California Style Manual.

Rule 8.5 Disciplinary Authority; Choice of Law — The court revises the citation in the Comment to conform with the California Style Manual.

The approved versions of all 69 rules are set forth in Attachment 1, and are effective November 1, 2018.

The request to approve proposed rule 1.14, regarding a lawyer’s obligations in representation of clients with diminished capacity, is denied.

It is so ordered.

Cantil-Sakauye

Chief Justice

Chin

Associate Justice

Corrigan

Associate Justice

Liu

Associate Justice

Cuéllar

Associate Justice

Kruger

Associate Justice

Associate Justice